

**Before the State of South Carolina
Department of Insurance**

In the matter of:

Assurity Life Insurance Company

1526 K Street
Lincoln, Nebraska 68501.

SCDI File Number 2001-107752

**Consent Order
Imposing Administrative Penalty**

This matter comes before me pursuant to an agreement entered into between the State of South Carolina Department of Insurance and Assurity Life Insurance Company, an insurer licensed to transact insurance business within the State of South Carolina.

Assurity Life acknowledges, and I find as fact, that it failed to timely file its 2000 Fee and Tax Return by March 1, 2001. Assurity Life previously failed to timely file a quarterly tax installment with the Department in 1997, for which it was given a first offense warning letter. Assurity Life has alleged that these actions were completely unintentional, in that it had mailed these documents by the statutory deadline. However, these acts are a direct violation of S.C. Code Ann. § 38-7-60 (3) (Supp. 2000), which requires the documents to be actually received at the Department of Insurance by the dates listed.

Rather than contesting this matter, Assurity Life and the Department agreed to submit the entire matter to me, along with their specific recommendation, for my summary decision. That consensual recommendation was that Assurity Life would waive its right to a public hearing and would immediately submit an administrative penalty in the total amount of \$500.


Section 38-7-60(3) states, in pertinent part, that "[t]he premium and other taxes imposed on insurers pursuant to Sections 38-7-20, 38-7-30, 38-7-40, 38-7-50, and 38-7-90 must be paid to the Director or his designee in quarterly installments on or before March first, June first, September first, and December first of each calendar year."

After a thorough review of the matter, carefully considering the recommendation of the parties, and pursuant to my findings of fact, I hereby conclude as a matter of law that Assurity Life is in violation of S.C. Code Ann. § 38-7-60(3) (Supp. 2000). Accordingly, I hereby impose an administrative penalty in the amount of \$500 against Assurity Life pursuant to the discretion provided to me by the State of South Carolina General Assembly in S.C. Code Ann. §§ 38-5-130 and 38-2-10 (Supp. 2000). This administrative penalty must be paid within ten days of my date and my signature upon this consent order. If that total amount is not paid on, or before, that date, then Assurity Life's certificate of authority to transact business as an insurer within the State of South Carolina will be summarily revoked without any further administrative disciplinary proceedings.

RECEIVED
GENERAL COUNSEL

MAY 29 2001

STATE OF SOUTH CAROLINA
DEPARTMENT OF INSURANCE

 Assurity Life Insurance Company
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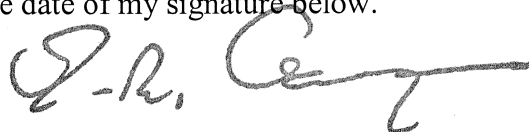
This administrative penalty has been reached by the parties in consideration of Assurity Life's assurance that it will timely file each of its future tax returns with the Department. This penalty includes all expenses related to investigation of this matter as provided in § 38-13-70 of the South Carolina Code. The parties expressly agree and understand Assurity Life's payment of the agreed-upon penalty constitutes full accord and satisfaction of this matter. By the signature of one of its officers or authorized representatives upon this consent order, Assurity Life acknowledges that it understands that this administrative disciplinary order is a public record subject to the disclosure requirements of the State of South Carolina's *Freedom of Information Act*, S.C. Code Ann. §§ 30-4-10, *et seq.* (1991 and Supp. 2000).

Nothing contained within this administrative disciplinary order should be construed to limit, or to deprive any person of, any private right of action under the law. Nothing contained within this administrative disciplinary order should be construed to limit, in any manner, the criminal jurisdiction of any law enforcement or judicial officer. Nothing contained within this administrative disciplinary order should be construed to limit the statutory duty, pursuant to S.C. Code Ann. § 38-3-110 (Supp. 2000), of the Director of Insurance, exercised either directly or through the Department, to "report to the Attorney General or other appropriate law enforcement officials criminal violations of the laws relative to the business of insurance or the provisions of this title which he considers necessary to report."

It is, therefore, ordered that Assurity Life Insurance Company shall, within ten days of my date and my signature upon this consent order, pay through the Department an administrative penalty in the total amount of \$500.


It is further ordered that a copy of this consent order shall be immediately transmitted to the National Association of Insurance Commissioners for distribution to its member states.

This consent order becomes effective on the date of my signature below.



Ernst N. Csiszar
Director

27 May, 2001
Columbia, South Carolina

 Assurity Life Insurance Company

I CONSENT:

Thomas B. Schlichting
Signature of Authorized Representative

Thomas B. Schlichting
Name

Controller
Title
Assurity Life Insurance Company
1526 K Street
Lincoln, Nebraska 68501

Dated this 29 day of May, 2001